



STAT

your monthly statistics
for the Phoenix Metro area

November 8, 2010

“ARMLS PPI™” is a trademark of
Arizona Regional MLS.

THE ARMLS PENDING PRICE INDEX™

The ARMLS Pending Price Index™ is a predictive tool unique to ARMLS which uses pending prices of homes under contract in the MLS system to forecast the Average and Median Sales Prices four months into the future.

September’s prediction for the October Average Sales Price was within .61% of the actual October figure of \$163,300. September’s prediction of \$120,000 for the Median Sales Price in October enjoyed 100% accuracy.

The October PPI predicts Median Sales Price to remain relatively unchanged in November at \$120,000, fall in December to \$117,000, rise in January back to \$120,000, only to take a 12% decrease in February to \$105,000. This is a typical bounce-around-the-bottom pattern typical of fragile markets reaching for recovery. Note that predictions have less reliability the further into the future they go.

Average Sales Price predictions parallel the Median Sales Price pattern. Expect the Average Sales Price to fall to \$160,700 in November, rise slightly to \$161,200 in December, only to fall to \$158,600 and \$145,800 in January and February respectively. The falling Average Prices for January and February 2011 follow the same pattern of January and February in 2009 and 2010. In all but one year (2002) since 2001, the average Sales Price took a drop from January to February.

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